

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## **Tanzania**

## **Coffee Annual**

## **Tanzania Coffee Annual Report**

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**Report Highlights:**

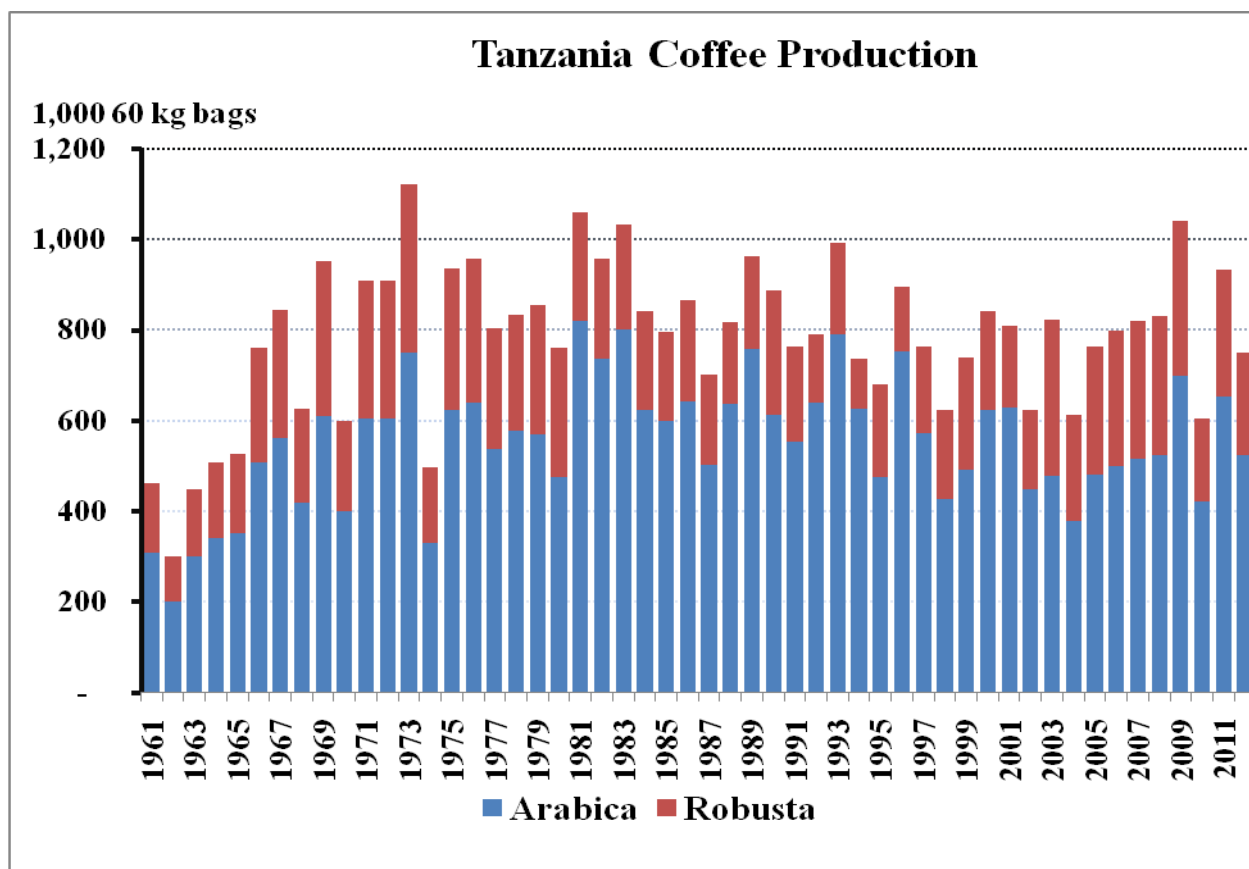
Under the Tanzania coffee development strategy, launched in December 2010, the Government of Tanzania (GOT) plans to double coffee production from the present average of 833,000 60 kilogram bags to 1.7 million 60 kilogram bags by 2020. FAS/Nairobi projects Tanzania coffee production in Marketing Year (MY) 2012 (July 2011 to June 2012) to decline by 20 percent from the previous year in line with the general biannual production cycle.

## Commodities:

Coffee, Green

## Production:

FAS/Nairobi generated the estimates and forecasts in the graph and table below in this report based on the best data available from the government and private sector sources. The government of Tanzania's goal of doubling production is projected to be reached by increasing yields through improved agronomic practices, additional inputs, and replacement plantings of disease resistant trees, as well as an expansion of planted area.



**Data Sources:** 1961-2009: USDA

2010: Tanzania Coffee Board

2011-2012: FAS/Nairobi

## Consumption:

Domestic coffee consumption remains low as Tanzanians prefer tea to coffee. Industry sources report annual per capita coffee consumption at 0.06 kilograms.

## Trade:

Japan and the European Union are the main destinations for Tanzanian coffee exports. Arabica coffee comprised 70 percent of total exports in MY 2011, largely exported to Japan and Italy.

### Tanzania Coffee Export Destinations in 60 kilogram bags

Coffee Year	2009/2010			2010/2011			
Destination	Arabica	Robusta	Total	Destination	Arabica	Robusta	Total
Japan	210,222	90,095	300,317	Japan	177,543	76,090	253,633
Italy	74,433	31,900	106,333	Italy	113,575	48,675	162,250
Germany	64,878	27,805	92,683	Belgium	84,385	36,165	120,550
Belgium	43,470	18,630	62,100	United States	45,710	19,590	65,300
United States	38,337	16,430	54,767	Germany	58,975	25,275	84,250
<b>Total</b>	<b>431,340</b>	<b>184,860</b>	<b>616,200</b>	<b>Total</b>	<b>480,188</b>	<b>205,795</b>	<b>685,983</b>

**Data Source:** Tanzania Coffee Board

### Stocks:

Processors, exporters and distributors hold most of the stocks.

### Policy:

The Tanzanian coffee industry faces a number of challenges, including stagnant production, poor agricultural practices, low use of inputs, and pests and diseases. To address these challenges, the government of Tanzania launched the Tanzania Coffee Development Strategy (2011-2016). The new strategy aligns with key national policy initiatives including, MKUKUTA (Tanzania's growth and poverty reduction strategy), Agricultural Sector Development Strategy, Agricultural Sector Development Program, and "Kilimo Kwanza" (the "agriculture first" strategy). The Tanzania Coffee Development Strategy identified five priority areas: production; quality; business environment and policy framework; farmer incomes and prices; and value addition. The ultimate goal of the initiative is to double coffee production by 2020 and to improve the quality of Tanzanian coffee.

### Production, Supply and Demand Data Statistics:

